OIL, GAS & MINING



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

December 15, 2014

Robert Hicken Mountain Valley Stone, Inc. 2276 South Daniels Road Heber City, Utah 84032

Subject: Conditional Approval of Amended Notice of Intention to Commence Large Mining

Operations, Mountain Valley Stone, Inc., Brown's Canyon Quarry, M/043/0019,

Summit County, Utah

Dear Mr. Hicken:

The Division of Oil, Gas and Mining approves the amended Notice of Intention to Commence Large Mining Operations (Notice) for the Brown's Canyon quarry. This approval is for a ten-acre expansion to the west of the current operations.

The following conditions apply:

- 1. By January 23, 2015, please submit two complete clean copies (highlighting removed) of the Notice.
- 2. By January 23, 2015, submit a revised reclamation cost estimate for the entire site, including the entire areas for permits M/043/0012 and M/043/0019. The reclamation plan for these areas will likely need to be modified or detailed to a greater extent than in the current Notice and must reflect current site conditions and planned operations. The Notice currently shows the pits being backfilled, but some of the material to be used to backfill the pits is being crushed and sold. Please include volume estimates and costs to backfill the pits as shown in the Notice. A geotechnical report will be needed if the Notice includes a variance request for the highwall. If material from above the highwall is to be used to backfill the pit, the Notice will need to show this area is stable, possibly with a geotechnical report, and not unstable because of ground water.
- 3. All suitable soil material must be removed and stored in a stable condition to be available for future reclamation. By May 29, 2015, the Division must receive a survey of the soils to be disturbed adequate to satisfy the requirements of rule R647-4-5.
- 4. Disturbance of wetlands must be permitted by the Army Corps of Engineers after proper delineation and mitigation.

Page 2 of 2 Robert Hicken M/043/0019 December 15, 2014

The Notice includes operation and reclamation plans for both the Brown's Canyon (M/043/0019) and Peoa Blonde (M/043/0012) operations. Since these sites are contiguous, have the same operator, and are now included in the same Notice, they need to be combined. There are various alternatives for effecting this change, but the Division suggests that Mountain Valley Stone amend the letter of credit for the Peoa Blonde quarry to show the name and permit number (M/043/0019) for the Brown's Canyon quarry. When this is completed, the Division will close the file for the Peoa Blonde quarry (M/043/0012). Please contact the Minerals Program's bonding coordinator, Penny Berry, at 801-538-5291 or by e mail at pennyberry@utah.gov for further information about changing the letter of credit and reclamation contracts.

Please call me at 801-538-5261 if you have questions about this approval or the conditions.

Sincerely,

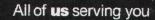
Paul B. Baker

Minerals Program Manager

PBB:pb

cc: Summit County

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U.S. BANK NATIONAL ASSOCIATION STANDBY LETTERS OF CREDIT: 1 800 NICOLLET MALL MINNEAPOLIS, MINNESOTA 55402

SWIFT: USBKUS44

TELEX:

PHONE: 503-464-3611

612-303-7395 FAX: 612-303-5226

December 15, 2014

LETTER OF CREDIT NUMBER:

AMENDMENT NUMBER: 6

APPLICANT: MOUNTAIN VALLEY STONE, INC.

2276 SOUTH DANIELS ROAD HEBER CITY, UT 84032

BENEFICIARY: UT

UTAH DIVISION OF OIL, GAS AND MINING

1594 WEST NORTH TEMPLE SUITE 1210 SALT LAKE CITY, UTAH 84114-5801

THE ABOVE-REFERENCED LETTER OF CREDIT IS AMENDED AS FOLLOWS:

1. PRESENT AVAILABLE BALANCE INCREASED BY USD 100,000.00 TO NEW TOTAL OF USD 269,700.00.

THIS AMENDMENT IS TO BE CONSIDERED AS PART OF THE ABOVE CREDIT AND MUST BE ATTACHED THERETO.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

U.S. BANK NATIONAL ASSOCIATION

AUTHORIZED SIGNATIO